

TOWNSHIP OF NEW HAVEN
SHIAWASSEE COUNTY, MICHIGAN

ANNUAL FINANCIAL STATEMENTS
AND AUDITOR'S REPORT

MARCH 31, 2008

Auditing Procedures Report

Instructions and MuniCodes

*=Required Fields

Reset Form

Issued under Public Act 2 of 1968, as amended. (V1.06)

Unit Name* NEW HAVEN TOWNSHIP	County* SHIAWASSEE	Type* TOWNSHIP	MuniCode* 78-1-080
Opinion Date-Use Calendar* Aug 5, 2008	Audit Submitted-Use Calendar* Sep 9, 2008	Fiscal Year End Month* 03	Fiscal Year* 2008

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No."

<input checked="" type="checkbox"/> ?	1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input checked="" type="checkbox"/> ?	2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
<input type="checkbox"/> ?	3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/> ?	4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/> ?	5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/> ?	6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/> ?	7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input checked="" type="checkbox"/> ?	8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
<input checked="" type="checkbox"/> ?	9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/> ?	10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
<input checked="" type="checkbox"/> ?	11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input type="checkbox"/> ?	12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/> ?	13. Is the audit opinion unqualified?
	14. If not, what type of opinion is it? NA
<input checked="" type="checkbox"/> ?	15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input checked="" type="checkbox"/> ?	16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/> ?	17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input type="checkbox"/> ?	18. Are there reported deficiencies?
	19. If so, was it attached to the audit report?

General Fund Revenue:	<input type="checkbox"/> ? \$ 159,581.00
General Fund Expenditure:	<input type="checkbox"/> ? \$ 327,913.00
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance:	<input type="checkbox"/> ? \$ 146,096.00
Governmental Activities Long-Term Debt (see instructions):	<input type="checkbox"/> ?

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (reported deviations).

CPA (First Name)* LORI	Last Name* CHANT	Ten Digit License Number* 1101020651		
CPA Street Address* 217 N WASHINGTON ST	City* OWOSSO	State* MI	Zip Code* 48867	Telephone* +1 (989) 723-8227
CPA Firm Name* DEMIS & WENZLICK, P.C.	Unit's Street Address* 2705 EASTON RD	Unit's City* OWOSSO	Unit's Zip* 48867	

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TOWNSHIP OF NEW HAVEN
LIST OF TOWNSHIP OFFICIALS
MARCH 31, 2008

Thomas Foster	Supervisor
Marilyn Owen	Clerk
Dawn Hudecek	Treasurer
Donald Jones	Trustee
Allen LeCureux	Trustee



DEMIS and WENZLICK, P.C.

Certified Public Accountants

217 N. Washington Street
Pabst Building, Suite 201
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Lori S. Chant, C.P.A.
Geraldine Terry, C.P.A.

Tracy Bublitz
Vickie Clayton
Carol Demis
Jeannette Gaitskill
Kathy Kimmerer
Erica Marks
Janis Mead
Tammy Pappas
David Pullen
Dean Roach
Vicki Schuler
Joyce Simmons
Barbara Wenzlick
Bruce Wenzlick

INDEPENDENT AUDITOR'S REPORT

Township of New Haven
Members of the Township Board
Shiawassee County, Michigan

We have audited the accompanying financial statements of the governmental activities, major funds and the aggregate remaining fund information of Township of New Haven as of and for the year ended March 31, 2008, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, major funds, and the aggregate remaining fund information of Township of New Haven as of March 31, 2008, and the respective changes in financial position, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the budgetary comparison schedules as identified in the table of contents are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Township of New Haven's basic financial statements. The introductory section and the other supplemental information, as identified in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly stated in all material respects to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Dennis and Wengrich, P.C.

Certified Public Accountants

Owosso, Michigan
August 5, 2008

TOWNSHIP OF NEW HAVEN MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of Township of New Haven's (the Township's) financial performance and position, providing an overview of the activities for the year ended March 31, 2008. This analysis should be read in conjunction with the Independent Auditor's Report and with the Township's financial statements, which follow this section. The fiscal year ended March 31, 2008 represents the first year the Township has reported under the provisions of the Governmental Accounting Standards Board (GASB) No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, as amended by GASB Statement No. 37 Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments – Omnibus and Statement No. 38 Certain Financial statement Note Disclosures. Therefore, this discussion and analysis does not provide comparisons with previous years.

Financial Results

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended March 31, 2008:

State shared revenue, one of our largest revenue sources in the General Fund, increased approximately \$40.

The Road Millage is the largest revenue source in the Road Fund and increased \$3,118.
The Ambulance Millage is the largest revenue source in the Ambulance Fund stayed the same.

The fund balance of the Township's General Fund decreased \$95,131 to \$146,096. The only reason for the decrease was the construction of the new Township Hall for \$256,815.

Using this Annual Report

This annual report consists of a series of financial statements. The state of net assets and the statement of activities provide information about the activities of Township of New Haven as a whole and represents a longer-term view of the Township's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year, and whether the taxpayers have funded the full cost of provided government services.

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the operations of Township of New Haven in more detail than the government-wide financial statements by providing information about the Township's most significant funds.

TOWNSHIP OF NEW HAVEN
MANAGEMENT'S DISCUSSION AND ANALYSIS

Township as a Whole

The following table shows, in a condensed format, the net assets of the Township as of March 31, 2008:

Current Assets	\$381,486
Capital Assets	<u>506,916</u>
TOTAL ASSETS	<u>\$888,402</u>
Current Liabilities	\$ <u>5,550</u>
TOTAL LIABILITIES	<u>\$ 5,550</u>
NET ASSETS	<u>\$882,852</u>

The following table shows the change in net assets for the year ended March 31, 2008:

Program Revenues:	
Charges for Services	\$ 4,725
General Revenues:	
State Shared Revenues	94,243
Tax Collections	52,618
Property Tax/Special Assessments	135,241
Interest Revenue	16,025
Other General Revenues	<u>1,835</u>
TOTAL REVENUES	<u>\$304,687</u>
Program Expenses:	
General Government	\$ 67,112
Public Safety	39,148
Public Works	39,491
Health & Welfare	13,350
Community & Econ. Development	<u>170</u>
TOTAL EXPENSES	<u>\$159,271</u>
CHANGE IN NET ASSETS	<u>\$145,416</u>

TOWNSHIP OF NEW HAVEN MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

The Township's governmental revenues total \$304,687 with the greatest revenue sources being state shared revenues and tax collections, making up approximately 93 percent of total revenues.

The Township incurred expenses of \$449,707 during the year. The majority of the expenses are associated with the general government and public works functions.

The Township's Funds

The analysis of the Township's governmental funds begins on Page 10 following the government-wide financial statements. The fund financial statements provide detailed information about all the general government funds. Township of New Haven's Board of Trustees has the ability to create funds to help manage money for specific purposes as well as to show accountability for certain activities, such as property tax millages and special assessments.

The General Fund pays for the majority of the Township's governmental services. The General Fund paid \$256,815 for the construction of a new Township Hall during the year.

General Fund Budgetary Highlights

Over the course of the fiscal year, the Township Board made necessary budget adjustments to fund unanticipated expenditures during the year. Budget amendments were made to cover the expected decrease in state shared revenue. However, because most of the departments come in under budget at year end, there was an overall favorable budget to actual variance.

Capital Assets

At the end of the fiscal year, the Township had approximately \$577,656 (valued at historical cost) in assets which include building, infrastructure, land, furniture, equipment, office equipment and software. Accumulated depreciation recorded for the general township assets was \$70,740.

Current Economic Factors

Revenue sharing is the most significant budgetary concern at this time. The State of Michigan is experiencing significant budget problems, and as they look for solutions, revenue sharing continues to be under attack.

TOWNSHIP OF NEW HAVEN
MANAGEMENT'S DISCUSSION AND ANALYSIS

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and demonstrate the Township's accountability for the money it receives. If you have questions about this report or need additional information, we encourage you to contact a Township Official at the Township Hall at (989) 743-9949

TOWNSHIP OF NEW HAVEN
GOVERNMENT-WIDE STATEMENT OF NET ASSETS
MARCH 31, 2008

	Governmental <u>Activities</u>
ASSETS	
Cash & Cash Equivalents	\$365,933
Receivables	10,787
Internal Balances	424
Prepaid Insurance	4,342
Capital Assets (Net)	<u>506,916</u>
TOTAL ASSETS	<u>\$888,402</u>
LIABILITIES	
Accounts Payable	\$ 5,500
Internal Balances	<u>50</u>
TOTAL LIABILITIES	<u>\$ 5,550</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	\$506,916
Unreserved:	
Unreserved	<u>375,936</u>
TOTAL NET ASSETS	<u>\$882,852</u>

See accompanying notes to financial statements.

TOWNSHIP OF NEW HAVEN
GOVERNMENT WIDE STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2008

	<u>Expenses</u>	<u>Program Revenues Charges For Services</u>	<u>Net (Expenses) Revenues and Changes In Net Assets Gov't Activities</u>
FUNCTIONS/PROGRAMS			
PRIMARY GOVERNMENT			
Governmental Activities:			
General Gov't	\$ 67,112	\$ 4,725	\$ (62,387)
Public Safety	39,148		(39,148)
Public Works	39,491		(39,491)
Health & Welfare	13,350		(13,350)
Community & Econ. Development	170		(170)
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$159,271</u>	<u>\$ 4,725</u>	<u>\$(154,546)</u>
General Revenues:			
Property Taxes			\$ 187,859
State Shared Revenues			94,243
Unrestricted Investment Earnings			16,025
Miscellaneous Other Revenue			1,835
TOTAL GENERAL REVENUES AND TRANSFERS			<u>\$ 299,962</u>
Change in Net Assets			\$ 145,416
Net Assets – Beginning			<u>737,436</u>
NET ASSETS – ENDING			<u>\$ 882,852</u>

See accompanying notes to financial statements.

TOWNSHIP OF NEW HAVEN
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2008

	<u>General</u>	<u>Fire</u>	<u>Road</u>	<u>Non-Major Gov't Funds</u>	<u>Total Gov't Funds</u>
ASSETS					
Cash & Cash Equiv.	\$144,194	\$38,476	\$87,436	\$95,827	\$365,933
Receivables	2,736	2,374	4,689	988	10,787
Due from Other Funds	374			50	424
Prepaid Insurance	<u>4,342</u>				<u>4,342</u>
TOTAL ASSETS	<u>\$151,646</u>	<u>\$40,850</u>	<u>\$92,125</u>	<u>\$96,865</u>	<u>\$381,486</u>
LIABILITIES & FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ 5,500	\$	\$	\$	\$ 5,500
Due to Other Funds	<u>50</u>				<u>50</u>
TOTAL LIABILITIES	<u>\$ 5,550</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 5,550</u>
FUND BALANCE					
Unreserved	<u>\$146,096</u>	<u>\$40,850</u>	<u>\$92,125</u>	<u>\$96,865</u>	<u>\$375,936</u>
TOTAL FUND BALANCE	<u>\$146,096</u>	<u>\$40,850</u>	<u>\$92,125</u>	<u>\$96,865</u>	<u>\$375,936</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$151,646</u>	<u>\$40,850</u>	<u>\$92,125</u>	<u>\$96,865</u>	<u>\$381,486</u>

See accompanying notes to financial statements.

TOWNSHIP OF NEW HAVEN
RECONCILIATION OF THE BALANCE SHEET
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
MARCH 31, 2008

TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS		\$375,936
Total Net Assets Reported for Governmental Activities in the Statement of Net Assets is different because:		
Capital Assets used in Governmental Activities are not Financial Resources and are not Reported in the Funds		
The Cost of Capital Assets	\$577,656	
Accumulated Depreciation	<u>(70,740)</u>	
Capital Assets, Net		<u>506,916</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES		<u>\$882,852</u>

See accompanying notes to financial statements.

TOWNSHIP OF NEW HAVEN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED MARCH 31, 2008

	<u>General</u>	<u>Fire</u>	<u>Road</u>	<u>Non-Major Gov't Funds</u>	<u>Total Gov't Funds</u>
REVENUES:					
Taxes & Penalties	\$ 52,618	\$40,753	\$81,263	\$ 13,225	\$ 187,859
State Shared Revenues	94,243				94,243
Charges for Services	4,175			550	4,725
Interest & Rentals	6,770	442	1,798	7,075	16,085
Other Revenue	<u>1,775</u>				<u>1,775</u>
TOTAL REVENUES	\$ 159,581	\$41,195	\$83,061	\$ 20,850	\$ 304,687
EXPENDITURES:					
Current:					
General Gov't.	\$ 326,180	\$	\$	\$	\$ 326,180
Public Safety		39,148			39,148
Public Works	1,363		69,496		70,859
Health & Welfare	200			13,150	13,350
Comm. & Econ. Dev.	<u>170</u>				<u>170</u>
TOTAL EXPEND.	\$ <u>327,913</u>	\$<u>39,148</u>	\$<u>69,496</u>	\$ <u>13,150</u>	\$ <u>449,707</u>
EXCESS OF REVENUES OVER EXPEND.					
	\$ <u>(168,332)</u>	\$ <u>2,047</u>	\$ <u>13,565</u>	\$ <u>7,700</u>	\$ <u>(145,020)</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	\$ 73,201	\$	\$	\$	\$ 73,201
Transfers Out		<u>(577)</u>		<u>(72,624)</u>	<u>(73,201)</u>
Net Change in Fund Balance	\$ (95,131)	\$ 1,470	\$13,565	\$ (64,924)	\$ (145,020)
Fund Balance -- Beginning	<u>241,227</u>	<u>39,380</u>	<u>78,560</u>	<u>161,789</u>	<u>520,956</u>
FUND BALANCE -- ENDING	\$ <u>146,096</u>	\$<u>40,850</u>	\$<u>92,125</u>	\$ <u>96,865</u>	\$ <u>375,936</u>

See accompanying notes to financial statements.

TOWNSHIP OF NEW HAVEN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2008

Net Change in Fund Balances – Total Governmental Funds	\$(145,020)
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Total Change in Net Assets Reported for Governmental Activities in
The Statement of Activities is different because:

Governmental Funds report Capital Outlays as Expenditures.
However, in the Statement of Activities the cost of those assets
are allocated over their estimated useful lives and reported as
depreciation expense.

Depreciation Expense	\$(18,754)	
Capital Outlay	<u>309,190</u>	<u>290,436</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ <u>145,416</u>
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See accompanying notes to financial statements.

TOWNSHIP OF NEW HAVEN
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
MARCH 31, 2008

ASSETS:

Cash	\$ 374
TOTAL ASSETS	<u>\$ 374</u>

LIABILITIES:

Due to Other Funds	\$ 374
TOTAL LIABILITIES	<u>\$ 374</u>

See accompanying notes to financial statements.

TOWNSHIP OF NEW HAVEN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A – REPORTING ENTITY

The Township of New Haven, Shiawassee County, Michigan was originally organized as a Township under provision of the constitution and general law of the State of Michigan. The Township operates under an elected Township Board which currently consists of a Supervisor, Clerk, Treasurer, and two (2) Trustees and provides services to its residents in many areas including general government, fire protection and ambulance protection.

As required by accounting principles generally accepted in the United States; GASB Statement 14, The Financial Reporting Entity; and Statement on Michigan Governmental Accounting and Auditing No. 5, these financial statements present the financial activities of the Township of New Haven (primary government).

B – GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activities has been removed from these statements. Governmental activities, normally supported by taxes and inter-governmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants who purchase, use or directly benefit from goods, or privilege provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items properly excluded from program revenue are reported as general revenue.

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter excluded from the governmental-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

TOWNSHIP OF NEW HAVEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C – MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing or related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are applied first.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, special assessments, licenses, interest revenue, and charges for services. Sales taxes collected and held by the state at year end on behalf of the government also are recognized as revenue. Fines, permits, and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The government reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

Fire Fund – Used to account for monies received and disbursed for Township Fire Protection.

Road Fund – Used to account for monies received and disbursed for road maintenance.

**TOWNSHIP OF NEW HAVEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C – MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

In addition, the government reports the following non-major governmental funds:

Cemetery Perpetual Care Fund – Used to account for monies received and disbursed for the maintenance of the Township's Cemetery.

Ambulance Fund – Used to account for monies received and disbursed for the Township Ambulance Protection.

Investment Fund – Used to account for money set aside for the Township Board for future improvements within the Township.

D – BUDGETS AND BUDGETARY ACCOUNTING

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the beginning of the fiscal year, the clerk submits to the Township Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted in the Township to obtain taxpayer comments.
3. Prior to April 1, the budget is legally enacted through board approval.
4. The clerk is authorized to transfer budgeted amounts between departments within any fund; however, any revision that alter the total expenditures of any fund must be approved by the Township Board.

E – PROPERTY TAX

Taxes levied on December 1, are payable on February 14. The Townships bills and collects its own property taxes and also taxes for the county and local school districts. Taxes levied on July 1, are payable on August 31. Collections of the county and school taxes and remittances of them are accounted for in the current tax collection fund. Township property taxes are recognized when levied to the extent that they result in current receivables.

The Township is permitted by the Municipal Finance Law of the state to levy taxes up to 1.0 mill for general government services. .9188 mill is levied for general services, \$25 per household is levied for ambulance service and 1.9498 mill is levied for road maintenance.

The delinquent real property taxes of the Township normally are purchased by the County of Shiawassee. The county sells tax notes, the proceeds of which are used to pay the Township for these delinquent taxes. These delinquent taxes have been recorded as revenue for the current year.

TOWNSHIP OF NEW HAVEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F – ASSETS, LIABILITIES AND NET ASSETS OR EQUITY

Cash and Investments – The Township has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of 3 months or less when acquired.

Receivables and Payables – In general, outstanding balances between funds are reported as "due to/from other funds" activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds". Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Prepaid items – Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets – Capital asset, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Property, Plant and Equipment is depreciated using the straight-line method over the following useful lives:

Land and Improvements	10 to 20 years
Building and Building Improvements	25 to 40 years
Roads	5 to 20 years
Other Infrastructure	20 to 40 years
Machinery and Equipment	5 to 10 years

Long-Term Obligation – In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net assets.

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

TOWNSHIP OF NEW HAVEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G – USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

NOTE H – COMPENSATED ABSENCES

The Township does not compensate employees for vacation time, sick time or any other absences.

NOTE I – POST-RETIREMENT HEALTH CARE BENEFITS

The Township does not provide post-retirement health care benefits.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS

In accordance with Michigan Compiled Laws, the Township is authorized to invest in the following investment vehicles:

- a. Bonds, securities and other obligations of the United States or any agency or instrumentality of the United States.
- b. Certificates of deposit, savings account, deposit accounts, or depository receipts of a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this state under the laws of this state or the United States, but only if the bank, savings and loan association, savings bank or credit union is eligible to be a depository of surplus funds belonging to the state under Section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being Section 21.145 and 231.146 of the Michigan Compiled Laws.
- c. Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.
- d. The United States government or federal agency obligations repurchase agreements.
- e. Bankers acceptances of United States banks.
- f. Mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

TOWNSHIP OF NEW HAVEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Federal Deposit Insurance Corporation (FDIC) regulations provide that deposits of governmental units are to be separately insured for the amount of \$100,000 for deposits in an insured bank for savings deposits and \$100,000 for demand deposits. Furthermore, if specific deposits are regulated by statute or bond indenture, these specific deposits are to be separately insured for the amount of \$100,000. Michigan Compiled Laws allow for collateralization of government deposits if the assets for pledging are acceptable to the State Treasurer under Section 3 of 1855 PA 105, MCL 21.143, to secure deposits of state surplus funds, securities, issued by the Federal Loan Mortgage Corporation, Federal National Mortgage Association, or Government National Mortgage Association.

DEPOSITS

As of March 31, 2008, the carrying amount and the bank balances for each type of account are as follows:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Checking	\$123,516	\$135,154
Certificates of Deposit	<u>242,792</u>	<u>242,792</u>
	<u>\$366,308</u>	<u>\$377,946</u>

Cash and cash equivalents caption on the combined balance sheet include \$100 in imprest cash.

Deposits of the Township are at federally insured banks located in the State of Michigan with all accounts maintained in the name of the Township. As of March 31, 2008, the Township accounts were insured by the FDIC for \$200,000 and the amount of \$166,308 was uninsured and uncollateralized.

Due to significantly higher cash flow at certain periods during the year, the amount the Township held as cash and cash equivalents increased significantly. As a result, the amount of the uninsured and uncollateralized cash and cash equivalents were substantially higher at these peak periods than at year end.

TOWNSHIP OF NEW HAVEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE 3 – INTERFUND RECEIVABLES AND PAYABLES

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Fund</u>	<u>Interfund Payable</u>	
General	\$374	General	\$ 50	Lot Sale
Cemetery	<u>50</u>	Tax Account	<u>374</u>	Delinquent Tax/Int.
	<u>\$424</u>		<u>\$424</u>	

NOTE 4 – INTERFUND OPERATING TRANSFERS

	<u>Transfer to Other Funds</u>	<u>Transfer from Other Funds</u>
General	\$	\$73,201
Fire	577	
Ambulance	191	
Cemetery	1,640	
Investment	<u>70,793</u>	
	<u>\$73,201</u>	<u>\$73,201</u>

Transfers are to move interest earned in Fire, Ambulance and Cemetery Funds to the General Fund. Also Investment Fund moved money to General to help pay for the Township Hall construction.

TOWNSHIP OF NEW HAVEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE 5 – CAPITAL ASSETS

Capital assets activity of the primary government for the current year was as follows:

	<u>Balance</u> <u>4-01-07</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>3-01-08</u>
GOVERNMENTAL ACTIVITIES:				
Capital Assets not being Depreciated:				
Land	\$ 6,083	\$	\$	\$ 6,083
Capital Assets being Depreciated:				
Buildings	38,204	256,815		295,019
Election Equipment	13,850			13,850
Infrastructure	196,199	45,155		241,354
Maintenance Equipment	5,599	1,495		7,094
Office Equipment	<u>8,531</u>	<u>5,725</u>		<u>14,256</u>
CAPITAL ASSETS BEING				
DEPRCIATED	<u>\$262,383</u>	<u>\$309,190</u>	<u>\$</u>	<u>\$571,573</u>
LESS ACCUMULATED DEPRECIATION FOR:				
Buildings	\$ 25,376	\$ 1,794	\$	\$ 27,170
Election Equipment	5,450	1,743		7,193
Infrastructure	12,808	13,787		26,595
Maintenance Equipment	711	914		1,625
Office Equipment	<u>7,641</u>	<u>516</u>		<u>8,157</u>
ACCUMULATED DEPRECIATION	<u>\$ 51,986</u>	<u>\$ 18,754</u>	<u>\$</u>	<u>\$ 70,740</u>
Net Capital Assets being				
Depreciated	<u>210,397</u>	<u>290,436</u>	<u></u>	<u>500,833</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$216,480</u>	<u>\$290,436</u>	<u>\$</u>	<u>\$506,916</u>
Government Activities:				
General Government			\$ 4,967	
Infrastructure			<u>13,787</u>	
TOTAL GOVERNMENT ACTIVITIES			<u>\$18,754</u>	

TOWNSHIP OF NEW HAVEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2008

NOTE 6 – RISK MANAGEMENT

The Township participates in a pool, the Michigan Township Participating Plan with other municipalities for various risks of loss including employer's liability, errors and omissions, and property and casualty losses. The pool is organized under Public Act 138 of 1982, as amended. The Township has no liability for additional assessments based on the claims filed against the pool nor do they have any rights to dividends.

The Township also maintains commercial insurance coverage for workers' compensation.

NOTE 7 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The Michigan Public Act 621 of 1978, Section 18 and 19, as amended, provides that a local governmental unit not incur expenditures in excess of the amounts appropriated.

In the body of the general purpose financial statements, the Township's budgeted expenditures have been shown on an activity basis. The approved budgets of the Township have been adopted at the activity level.

During the period ended March 31, 2008, the Township incurred expenditures in excess of the amounts appropriated as follows:

	<u>Appropriated</u>	<u>Amounts Expended</u>	<u>Variance</u>
General Fund:			
Hall and Grounds – Capital Outlay	\$168,000	\$264,703	\$96,703
Fire Fund:			
Transfer Out	250	577	327
Ambulance Fund:			
Ambulance Protection	12,850	13,150	300
Transfer Out	100	191	91
Cemetery Perpetual Care:			
Transfer Out		1,640	1,640
Investment Fund:			
Transfer Out		70,793	70,793

REQUIRED SUPPLEMENTARY INFORMATION

TOWNSHIP OF NEW HAVEN
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes & Penalties	\$ 46,200	\$ 46,200	\$ 52,618	\$ (6,418)
State Grants/Shared Revenue	88,000	88,000	94,243	(6,243)
Charges for Services	3,500	3,500	4,175	(675)
Interest & Rentals	12,600	12,600	6,770	5,830
Other Revenue	<u>4,500</u>	<u>4,500</u>	<u>1,775</u>	<u>2,725</u>
TOTAL REVENUES	\$ <u>154,800</u>	\$ <u>154,800</u>	\$ <u>159,581</u>	\$ <u>(4,781)</u>
EXPENDITURES:				
Current:				
General Government	\$ 245,400	\$ 245,400	\$ 326,180	\$ (80,780)
Public Works	97,700	97,700	1,363	96,337
Health & Welfare	200	200	200	
Comm. & Econ. Develop.	<u>1,500</u>	<u>1,500</u>	<u>170</u>	<u>1,330</u>
TOTAL EXPENDITURES	\$ <u>344,800</u>	\$ <u>344,800</u>	\$ <u>327,913</u>	\$ <u>16,887</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$(190,000)</u>	<u>\$(190,000)</u>	<u>\$(168,332)</u>	<u>\$(216,668)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	\$ 165,000	\$ 165,000	\$ 73,201	\$ 91,799
Transfers Out	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL OTHER FINANCING SOURCECS (USES)	\$ 165,000	\$ 165,000	\$ 73,201	\$ 91,799
Net Change in Fund Balance	(25,000)	(25,000)	(95,131)	70,131
Fund Balance – Beginning	<u>241,227</u>	<u>241,227</u>	<u>241,227</u>	<u> </u>
FUND BALANCE – ENDING	\$ <u>216,227</u>	\$ <u>216,227</u>	\$ <u>146,096</u>	\$ <u>70,131</u>

TOWNSHIP OF NEW HAVEN
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE
FIRE FUND
YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES:				
Taxes & Penalties	\$40,700	\$40,700	\$40,753	\$ (53)
Interest Income	250	250	442	(192)
TOTAL REVENUES	<u>\$40,950</u>	<u>\$40,950</u>	<u>\$41,195</u>	<u>\$ (245)</u>
EXPENDITURES:				
Public Safety	\$40,700	\$40,700	\$39,148	\$ 1,552
TOTAL EXPENDITURES	<u>\$40,700</u>	<u>\$40,700</u>	<u>\$39,148</u>	<u>\$ 1,552</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 250	\$ 250	\$ 2,047	\$(1,797)
OTHER FINANCING SOURCES (USES):				
Transfers In	\$	\$	\$	\$
Transfers Out	<u>(250)</u>	<u>(250)</u>	<u>(577)</u>	<u>327</u>
Net Change in Fund Balance	\$	\$	\$ 1,470	\$(1,470)
Fund Balance – Beginning	<u>39,380</u>	<u>39,380</u>	<u>39,380</u>	<u>—</u>
FUND BALANCE – ENDING	<u>\$39,380</u>	<u>\$39,380</u>	<u>\$40,850</u>	<u>\$(1,470)</u>

TOWNSHIP OF NEW HAVEN
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE
ROAD FUND
YEAR ENDED MARCH 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes & Penalties	\$79,000	\$79,000	\$81,263	\$ (2,263)
Interest Income	<u>2,000</u>	<u>2,000</u>	<u>1,798</u>	<u>202</u>
TOTAL REVENUES	<u>\$81,000</u>	<u>\$81,000</u>	<u>\$83,061</u>	<u>\$ (2,061)</u>
EXPENDITURES:				
Public Works	\$78,000	\$78,000	\$69,496	\$ 8,504
TOTAL EXPENDITURES	<u>\$78,000</u>	<u>\$78,000</u>	<u>\$69,496</u>	<u>\$ 8,504</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$13,565</u>	<u>\$(10,565)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	\$	\$	\$	\$
Transfers Out	<u>(2,000)</u>	<u>(2,000)</u>	<u> </u>	<u>(2,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$(2,000)</u>	<u>\$(2,000)</u>	<u>\$</u>	<u>\$ (2,000)</u>
Net Change in Fund Balance	\$ 1,000	\$ 1,000	\$13,565	\$(12,565)
Fund Balance – Beginning	<u>78,560</u>	<u>78,560</u>	<u>78,560</u>	<u> </u>
FUND BALANCE – ENDING	<u>\$79,560</u>	<u>\$79,560</u>	<u>\$92,125</u>	<u>\$(12,565)</u>

OTHER SUPPLEMENTARY INFORMATION

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
BALANCE SHEET
MARCH 31, 2008

GENERAL FUND

ASSETS:

Cash and Cash Equivalents	\$144,194
Taxes Receivable	2,736
Due from Other Funds	374
Prepaid Insurance	<u>4,342</u>
TOTAL ASSETS	<u>\$151,646</u>

LIABILITIES:

Accounts Payable	\$ 5,500
Due to Other Funds	<u>50</u>
	\$ 5,550

GENERAL FUND BALANCE	<u>146,096</u>
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TOTAL LIABILITIES AND GENERAL FUND BALANCE	<u>\$151,646</u>
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TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET
YEAR ENDED MARCH 31, 2008

GENERAL FUND

	<u>Budget</u>	<u>Actual</u>	Variance With Budget Positive (Negative)
REVENUES:			
Property Taxes	\$ 36,000	\$ 38,407	\$ (2,407)
Tax Penalties & Interest	200	1,357	(1,157)
Tax Admin. Fees	10,000	12,854	(2,854)
State Shared Revenues	85,000	90,602	(5,602)
Metro Authority	3,000	3,641	(641)
Interest Income	12,500	6,710	5,790
Rent Income	100	60	40
Cemetery	3,500	4,175	(675)
Refunds & Rebates	4,000	108	3,892
Miscellaneous Income	<u>500</u>	<u>1,667</u>	<u>(1,167)</u>
TOTAL REVENUES	\$154,800	\$159,581	\$(4,781)
EXPENDITURES:			
Township Board:			
Salaries	\$	\$ 3,225	\$
Dues		818	
Printing & Publishing		142	
Supplies		591	
Professional Services		371	
Travel		<u>79</u>	
TOTAL TOWNSHIP BOARD	\$ 7,000	\$ 5,226	\$ 1,774
Supervisor:			
Salaries	\$	\$ 7,000	\$
Printing & Publishing		<u>53</u>	
TOTAL SUPERVISOR	\$ 8,300	\$ 7,053	\$ 1,247

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET (CONTINUED)
YEAR ENDED MARCH 31, 2008

GENERAL FUND

	<u>Budget</u>	<u>Actual</u>	Variance With Budget Positive (Negative)
EXPENDITURES:			
Clerk:			
Salaries	\$	\$ 7,200	\$
Office Supplies		683	
Travel		<u>393</u>	
TOTAL CLERK	\$ 9,600	\$ 8,276	\$ 1,324
Board of Review:			
Salaries	\$	\$ 540	\$
Printing & Publishing		<u>30</u>	
TOTAL BOARD OF REVIEW	\$ 1,200	\$ 570	\$ 630
Treasurer:			
Salaries	\$	\$ 8,060	\$
Office Supplies		366	
Professional Services		114	
Travel		<u>581</u>	
TOTAL TREASURER	\$ 10,500	\$ 9,121	\$ 1,379
Assessor:			
Professional Services	\$	\$ 9,934	\$
Supplies		<u>1,230</u>	
TOTAL ASSESSOR	\$ 12,500	\$ 11,164	\$ 1,336
Elections:			
Salaries	\$	\$ 795	\$
Professional Services		147	
Printing & Publishing		12	
Supplies		339	
Travel		<u>116</u>	
TOTAL ELECTIONS	\$ 1,500	\$ 1,409	\$ 91

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET (CONTINUED)
YEAR ENDED MARCH 31, 2008

GENERAL FUND

	<u>Budget</u>	<u>Actual</u>	Variance With Budget Positive (Negative)
EXPENDITURES:			
Hall & Grounds:			
Supplies	\$	\$ 649	\$
Professional Services		40	
Repairs & Maintenance		873	
Utilities		601	
Capital Outlay		<u>262,540</u>	
TOTAL HALL & GROUNDS	\$168,000	\$264,703	\$(96,703)
Other General Gov't:			
Payroll Taxes	\$ 6,700	\$ 2,393	\$ 4,307
Insurance	6,000	5,086	914
MAGNET	800	800	
Rehman Health Center	200	200	
Planning Comm.	1,500	170	1,330
Miscellaneous	2,500	567	1,933
Drains at Large	<u>5,000</u>	<u>1,363</u>	<u>3,637</u>
TOTAL OTHER GENERAL GOVT	\$ 22,700	\$ 10,579	\$ 12,121
Cemetery:			
Salaries	\$	\$ 4,380	\$
Professional Services		2,251	
Supplies		484	
Repairs & Maintenance		700	
Travel		502	
Capital Outlay		<u>1,495</u>	
TOTAL CEMETERY	\$ 10,800	\$ 9,812	\$ 988
Roads	\$ <u>92,700</u>	\$	\$ <u>92,700</u>
TOTAL EXPENDITURES	<u>\$344,800</u>	<u>\$327,913</u>	<u>\$16,887</u>

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET (CONTINUED)
YEAR ENDED MARCH 31, 2008

GENERAL FUND

	<u>Budget</u>	<u>Actual</u>	Variance With Budget Positive (Negative)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$(190,000)	\$(168,332)	\$(21,668)
OTHER SOURCECS (USES) OF FUNDS:			
Transfers In	\$ 165,000	\$ 73,201	\$ 91,799
Transfers Out	<u> </u>	<u> </u>	<u> </u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ <u>(25,000)</u>	\$ (95,131)	\$ <u>70,131</u>
Fund Balance April 1, 2007		<u>241,227</u>	
FUND BALANCE MARCH 31, 2008		\$ <u>146,096</u>	

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTARY INFORMATION
BALANCE SHEET
MARCH 31, 2008

FIRE FUND

ASSETS:

Cash in Bank	\$38,476
Taxes Receivable	<u>2,374</u>
	<u>\$40,850</u>

LIABILITIES:

Accounts Payable	\$
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FIRE FUND BALANCE	<u>40,850</u>
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TOTAL LIABILITIES AND FIRE FUND BALANCE	<u>\$40,850</u>
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TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET
YEAR ENDED MARCH 31, 2008

FIRE FUND

	<u>Budget</u>	<u>Actual</u>	Variance With Budget Positive (Negative)
REVENUES:			
Property Taxes	\$40,700	\$40,753	\$ (53)
Interest Income	<u>250</u>	<u>442</u>	<u>(192)</u>
TOTAL REVENUES	<u>\$40,950</u>	<u>\$41,195</u>	<u>\$ (245)</u>
EXPENDITURES:			
Fire Protection Contracted Services	\$40,700	\$39,148	\$ <u>1,552</u>
TOTAL EXPENDITURES	<u>\$40,700</u>	<u>\$39,148</u>	<u>\$ 1,552</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 250	\$ 2,047	\$(1,797)
OTHER SOURCES (USES) OF FUNDS:			
Transfer Out	<u>(250)</u>	<u>(577)</u>	<u>327</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS	<u>\$ _____</u>	\$ 1,470	\$(<u>1,470</u>)
Fund Balance April 1, 2007		<u>39,380</u>	
FUND BALANCE MARCH 31, 2008		<u>\$40,850</u>	

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
BALANCE SHEET
MARCH 31, 2008

ROAD FUND

ASSETS:

Cash in Bank	\$87,436
Taxes Receivable	<u>4,689</u>
	<u>\$92,125</u>

LIABILITIES:

Accounts Payable	\$
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FUND BALANCE	<u>92,125</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u>\$92,125</u>
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TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET
YEAR ENDED MARCH 31, 2008

ROAD FUND

	<u>Budget</u>	<u>Actual</u>	Variance With Budget Positive (Negative)
REVENUES:			
Property Taxes	\$79,000	\$81,263	\$ (2,263)
Interest Income	<u>2,000</u>	<u>1,798</u>	<u>202</u>
TOTAL REVENUES	\$81,000	\$83,061	\$ (2,061)
EXPENDITURES:			
Road Maintenance	\$78,000	\$69,496	\$ 8,504
TOTAL EXPENDITURES	\$78,000	\$69,496	\$ 8,504
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 3,000	\$13,565	\$(10,565)
OTHER SOURCES (USES) OF FUNDS:			
Transfer In	\$	\$	\$
Transfers Out	<u>(2,000)</u>	<u> </u>	<u>(2,000)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS	\$ <u>1,000</u>	\$13,565	\$(12,565)
Fund Balance April 1, 2007		<u>78,560</u>	
FUND BALANCE MARCH 31, 2008		<u>\$92,125</u>	

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
MARCH 31, 2008

	<u>Other Governmental Funds</u>			
	<u>Ambulance Fund</u>	<u>Cemetery Perpetual Care Fund</u>	<u>Investment Fund</u>	<u>Total Non-Major Gov't Funds</u>
ASSETS:				
Cash & Cash Equivalents	\$12,268	\$33,559	\$50,000	\$95,827
Taxes Receivable -- Delinquents	988			988
Due from Other Funds		50		50
TOTAL ASSETS	<u>\$13,256</u>	<u>\$33,609</u>	<u>\$50,000</u>	<u>\$96,865</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES:				
Account Payable	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL LIABILITIES	\$ _____	\$ _____	\$ _____	\$ _____
FUND BALANCE:				
Unreserved	<u>\$13,256</u>	<u>\$33,609</u>	<u>\$50,000</u>	<u>\$96,865</u>
TOTAL FUND EQUITY	<u>\$13,256</u>	<u>\$33,609</u>	<u>\$50,000</u>	<u>\$96,865</u>
TOTAL LIABILITIES & FUND EQUITY	<u>\$13,256</u>	<u>\$33,609</u>	<u>\$50,000</u>	<u>\$96,865</u>

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDIURES
AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
MARCH 31, 2008

	<u>Other Governmental Funds</u>			Total Non-Major Gov't Funds
	<u>Ambulance Fund</u>	<u>Cemetery Perpetual Care Fund</u>	<u>Investment Fund</u>	
REVENUES:				
Taxes & Special Assmts.	\$ 13,225	\$	\$	\$ 13,225
Perpetual Care		550		550
Interest Income	<u>145</u>	<u>1,627</u>	<u>5,303</u>	<u>7,075</u>
TOTAL REVENUES	\$ <u>13,370</u>	\$ <u>2,177</u>	\$ <u>5,303</u>	\$ <u>20,850</u>
EXPENDITURES:				
Ambulance Protection	\$ <u>13,150</u>	\$ _____	\$ _____	\$ <u>13,150</u>
TOTAL EXPENDITURES	\$ <u>13,150</u>	\$ _____	\$ _____	\$ <u>13,150</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 220	\$ 2,177	\$ 5,303	\$ 7,700
Operating Transfers In	\$	\$	\$	\$
Operating Transfers (Out)	<u>(191)</u>	<u>(1,640)</u>	<u>(70,793)</u>	<u>(72,624)</u>
TOTAL OTHER FINANCING SOURCES (USES)	\$ <u>(191)</u>	\$ <u>(1,640)</u>	\$ <u>(70,793)</u>	\$ <u>(72,624)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ 29	\$ 537	\$(65,490)	\$ (64,924)
Fund Balance – April 1, 2007	<u>13,227</u>	<u>33,072</u>	<u>115,490</u>	<u>161,789</u>
FUND BALANCE – MARCH 31, 2008	\$ <u>13,256</u>	\$ <u>33,609</u>	\$ <u>50,000</u>	\$ <u>96,865</u>

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
BALANCE SHEET
MARCH 31, 2008

AMBULANCE FUND

ASSETS:

Cash in Bank	\$12,268
Taxes Receivable	<u>988</u>
	<u>\$13,256</u>

LIABILITIES:

Accounts Payable	\$
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FUND BALANCE	<u>13,256</u>
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TOTAL LIABILITIES AND FUND BALANCE	<u>\$13,256</u>
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TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET
YEAR ENDED MARCH 31, 2008

AMBULANCE FUND

	<u>Budget</u>	<u>Actual</u>	Variance With Budget Positive (Negative)
REVENUES:			
Property Taxes	\$12,350	\$13,225	\$ (875)
Interest Income	<u>1,100</u>	<u>145</u>	<u>955</u>
TOTAL REVENUES	\$13,450	\$13,370	\$ 80
EXPENDITURES:			
Ambulance Protection Contracted Services	\$12,850	\$13,150	\$ (300)
TOTAL EXPENDITURES	\$12,850	\$13,150	\$ (300)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 600	\$ 200	\$ 380
OTHER SOURCES (USES) OF FUNDS:			
Transfer In	\$	\$	\$
Transfers Out	<u>(100)</u>	<u>(191)</u>	<u>91</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS	\$ <u>500</u>	\$ 29	\$ <u>471</u>
Fund Balance April 1, 2007		<u>13,227</u>	
FUND BALANCE MARCH 31, 2008		<u>\$13,256</u>	

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
BALANCE SHEET
MARCH 31, 2008

CEMETERY PERPETUAL CARE FUND

ASSETS:

Cash in Bank	\$33,559
Due from General Fund	<u>50</u>
TOTAL ASSETS	<u>\$33,609</u>

CEMETERY PERPETUAL CARE FUND BALANCE	<u>\$33,609</u>
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TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET
YEAR ENDED MARCH 31, 2008

CEMETERY PERPETUAL CARE FUND

	<u>Budget</u>	<u>Actual</u>	Variance With Budget Positive (Negative)
REVENUES:			
Perpetual Care	\$	\$ 550	\$ (550)
Interest Income	_____	<u>1,627</u>	<u>(1,627)</u>
TOTAL REVENUES	\$	\$ 2,177	\$(2,177)
EXPENDITURES	_____	_____	_____
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$	\$ 2,177	\$(2,177)
OTHER SOURCES (USES) OF FUNDS:			
Transfer In	\$	\$	\$
Transfers Out	_____	<u>1,640</u>	<u>(1,640)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ _____	\$ 537	\$ <u>(537)</u>
Fund Balance April 1, 2007		<u>33,072</u>	
FUND BALANCE MARCH 31, 2008		<u>\$33,609</u>	

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
BALANCE SHEET
MARCH 31, 2008

INVESTMENT FUND

ASSETS:

Certificate of Deposit	<u>\$50,000</u>
	<u>\$50,000</u>

FUND BALANCE	<u>\$50,000</u>
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TOTAL FUND BALANCE	<u>\$50,000</u>
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TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE COMPARED TO BUDGET
YEAR ENDED MARCH 31, 2008

INVESTMENT FUND

	<u>Budget</u>	<u>Actual</u>	Variance With Budget Positive (Negative)
REVENUES:			
Interest Income	\$ _____	\$ <u>5,303</u>	\$ <u>(5,303)</u>
TOTAL REVENUES	\$ _____	\$ <u>5,303</u>	\$ <u>(5,303)</u>
OTHER SOURCES (USES) OF FUNDS:			
Transfers In	\$ _____	\$ _____	\$ _____
Transfers Out	\$ _____	\$ <u>(70,793)</u>	\$ <u>(70,793)</u>
	\$ _____	\$ <u>(70,793)</u>	\$ <u>(70,793)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS	\$ _____	\$ <u>(65,490)</u>	\$ <u>(65,490)</u>
Fund Balance April 1, 2007		<u>115,490</u>	
FUND BALANCE MARCH 31, 2008		\$ <u>50,000</u>	

TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
CURRENT TAX COLLECTION FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS:

Cash in Bank	\$ 374
	<u>\$ 374</u>

LIABILITIES:

Due to Other Funds	\$ 374
TOTAL LIABILITIES	<u>\$ 374</u>

FUND BALANCE	_____
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TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 374</u>
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TOWNSHIP OF NEW HAVEN
OTHER SUPPLEMENTAL INFORMATION
CURRENT TAX COLLECTION FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED MARCH 31, 2008

BALANCE APRIL 1, 2007	\$ 4,990
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RECEIPTS:

Delinquents Collected	\$ 2,133
Current Property Taxes	1,015,692
Collection Fees & Late Charges	7,937
Dog Licenses	270
Interest Income	780
Overpayments	<u>24</u>
TOTAL RECEIPTS & BEGINNING BALANCE	<u>\$1,031,826</u>

DISBURSEMENTS:

Shiawassee County	\$ 647,066
Chesaning Schools	77,284
Owosso Schools	79,110
Corunna Schools	24,576
Saginaw ISD	22,926
General Fund	53,119
Ambulance Fund	12,236
Fire Fund	38,380
Road Fund	76,731
Refunds	<u>24</u>
TOTAL DISBURSEMENTS	<u>\$1,031,452</u>

BALANCE MARCH 31, 2008	\$ <u>374</u>
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DEMIS and WENZLICK, P.C.

Certified Public Accountants

James Demis, Jr., C.P.A.
LaVearn G. Wenzlick, C.P.A.
Lori S. Chant, C.P.A.
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Joyce Simmons
Barbara Wenzlick
Bruce Wenzlick

August 5, 2008

Members of the Township Board
Township of New Haven
Shiawassee County, Michigan

In compliance with the provisions of Section 11, Paragraph 2, of Act 2, Public Acts of 1968, we wish to render our report of comments and recommendations which were formulated as a result of the audit our firm performed on the financial statements of the Township of New Haven, for the year ended March 31, 2008.

BUDGET

The state Revenue Sharing Distribution Law, P.A. 176 of 1980, includes a compliance requirement in budgeting. It is important under this act that expenditures do not exceed the budget. Expenditures include accounts payable at March 31. Budgeted expenditures cannot exceed budgeted revenue plus the beginning fund balance. During our audit we noticed certain expenditures exceeding budgeting amounts. Care should be taken that expenditures do not exceed the budget. Amendments, if any, must occur before March 31.

We wish to thank the board for the excellent cooperation we received in performing the Township audit. If we can be of any further assistance to the Township, please contact us.

Sincerely yours,

Demis and Wenzlick, P.C.

Certified Public Accountants